VZCZCXRO9573 OO RUEHBI DE RUEHLM #0388/01 0671108 ZNY CCCCC ZZH O 081108Z MAR 07 FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC IMMEDIATE 5605 INFO RUEHRL/AMEMBASSY BERLIN PRIORITY 0263 RUEHKA/AMEMBASSY DHAKA PRIORITY 9945 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 6914 RUEHKT/AMEMBASSY KATHMANDU PRIORITY 4987 RUEHLO/AMEMBASSY LONDON PRIORITY 3590 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0723 RUEHNY/AMEMBASSY OSLO PRIORITY 3678 RUEHOT/AMEMBASSY OTTAWA PRIORITY 1007 RUEHKO/AMEMBASSY TOKYO PRIORITY 2758 RUEHCG/AMCONSUL CHENNAI PRIORITY 7487 RUEHBI/AMCONSUL MUMBAI PRIORITY 5195 RUEHON/AMCONSUL TORONTO PRIORITY 0132 RHEFDIA/DIA WASHINGTON DC PRIORITY RUEHGV/USMISSION GENEVA PRIORITY 1870 RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY RUEHBS/USEU BRUSSELS PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 COLOMBO 000388

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DEPARTMENT FOR SCA/INS

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TAGS: <u>PGOV</u> <u>PREL</u> <u>PTER</u> <u>PHUM</u> <u>MOPS</u> <u>CE</u>

SUBJECT: SRI LANKA: CRUNCH TIME COMING ON DEVOLUTION

PROPOSAL

REF: A. COLOMBO 0379

¶B. COLOMBO 0338

1C. COLOMBO 0286 AND PREVIOUS

Classified By: Ambassador Robert O. Blake, Jr., for reasons 1.4(b,d).

SUMMARY: Two months after the release of the All-Party Representative Committee (APRC) Experts Panel "Majority Report," the President's party, the Sri Lanka Freedom Party (SLFP), has yet to put forward its own proposals on devolution. The President reportedly has told his party's ad-hoc committee on devolution that the SLFP proposals must be in line with the Mahinda Chintana (his election manifesto) -- which explicitly rejects federalism and endorses a unitary state. As an alternative to the APRC proposals, the President may re-introduce the provincial council's scheme of the 13th Amendment to the Constitution, which will not go nearly far enough to address Tamil aspirations. A common theme among Sri Lanka's friends in the international community is that any proposal the APRC puts forward must be at least as far-reaching as the model proposed in 2000 by then-President Chandrika Kumaratunga. a February 22 speech at the National Peace Council Symposium, Ambassador Blake urged Sri Lanka to take advantage of the current opportunity to achieve peace.

Ruling Party Proposal Remains Elusive

12. (C) Following a suggestion by one of the members of the APRC Experts Panel, Ambassador and other Emboffs have met several members of the SLFP ad-hoc committee to draft the party's devolution proposals. The group's chairman, Minister of Higher Education Wiswa Warnapala, is a constitutional expert and a relative moderate, but is nevertheless steeped in his party's traditional views on the importance of maintaining the unitary state. He nevertheless assured us that the group would draft a reasonable, forward-looking proposal. However, these proposals will be subject to review

by the SLFP Central Committee, and have been repeatedly delayed. One of the group's members confided to us that the President had given them instructions that the SLFP's proposals must be in line with the Mahinda Chintana (his election manifesto) -- which explicitly rejects federalism and endorses a unitary state. The minister added frankly that the group was dragging its heels because it had found the task of reconciling the principle of devolution with the Mahinda Chintana impossible.

The 13th Amendment Option

¶3. (C) As an alternative to the proposals from the APRC, the President may intend to re-introduce the provincial council's scheme of the 13th Amendment to the Constitution. Originally intended to include a North-Eastern Province, the plan would now involve separate North and East provincial councils, and significant, strategically important portions of those two provinces would be centrally administered as central territories. Some observers see indications that current military operations are being implemented with this idea in mind. Unfortunately, this plan is a far cry from genuine devolution. In addition, there are fears that Douglas Devananda of the Eelam People's Democratic Party and Liberation Tigers of Tamil Eelam (LTTE)-breakaway general Karuna would be installed as leaders in the North and East respectively.

Ambassador Urges GSL to Push for Peace

14. (C) A common theme among interested parties within Sri COLOMBO 00000388 002 OF 002

Lanka, and among Sri Lanka's international friends, is the idea that any proposal the APRC puts forward must be at least as far-reaching as the devolution proposal put forward in 2000 by Chandrika Kumaratunga's government. Kumaratunga's proposal would have devolved power at the regional level, but it did not make it through parliament because the opposition United National Party chose to oppose it at the time.

- 15. (C) In a February 22 speech at the National Peace Council Symposium, Ambassador Blake urged Sri Lanka to take advantage of the current, important opportunity to achieve peace. He said that the APRC bears a responsibility to develop a proposal that meets the aspirations of the Tamil, Muslim and Sinhalese communities. If this happens, he argued, the President's stronger majority in parliament can deliver the votes needed to amend the constitution. He also said that President Rajapaksa has the political skills to sell a legitimate devolution proposal to his constituents in the South and achieve the ever elusive "Southern Consensus." The Ambassador has repeated this advice in several more recent public statements, adding that it will be important for the APRC devolution proposals to exceed in scope those put forward by former President Kumaratunga in 2000. This echoes the advice that India, Norway and others have been offering.
- (C) COMMENT: The President's recent actions suggest that he is uncomfortable with the devolution proposals in the APRC Majority Experts Report or the Vitharana report. Despite much talk of a political solution, it remains unclear what type of devolution proposal President Mahinda Rajapaksa is willing to accept. The President is concerned that if a proposal is put forward and rejected by the LTTE, particularly one that goes against the Mahinda Chintanaya, he will lose support from his political base in the South and will have gained little for his sacrifice. For its part, the LTTE has said that before talks can resume, the Government must withdraw to the positions it occupied when the ceasefire went into force. This is clearly a non-starter. The LTTE has been keeping its own counsel on the APRC process, probably expecting little to come of it, but so far has not rejected the Majority Experts Report or

the Vitharana report. If the model that eventually emerges from the convoluted process the President has designed to reach a "Southern consensus" falls short of granting Tamils in the North and East significant local autonomy, the Government and other parties will miss a significant opportunity for peace.
BLAKE